

AR12

INTERNATIONAL BIBIS TIN MINES LIMITED

Annual Report
for the year ended
December 31, 1967



Digitized by the Internet Archive
in 2023 with funding from
University of Alberta Library

https://archive.org/details/Inte0590_1967

INTERNATIONAL BIBIS TIN MINES LIMITED

Officers

President - - - - - ARTHUR C. A. HOWE
Secretary-Treasurer - - - - - THOMAS W. HADDON

Directors

ARTHUR C. A. HOWE
THOMAS W. HADDON
DESMOND O'SHANNESSEY

Transfer Agent & Registrar

GUARANTY TRUST COMPANY OF CANADA,
Toronto, Montreal and Vancouver

Auditors

THORNE, GUNN, HELLIWELL and CHRISTENSON,
Toronto, Ontario

Head Office

Suite 826 — 159 Bay St.,
Toronto, Ontario

★

THE ANNUAL AND GENERAL MEETING
of Shareholders of
INTERNATIONAL BIBIS TIN MINES LIMITED

will be held on

THURSDAY, JUNE 27th, 1968

at 10:30 a.m., Toronto Time

at the

RECEPTION ROOM
KING EDWARD SHERATON HOTEL
37 King St. East
Toronto, Canada



INTERNATIONAL BIBIS TIN MINES LIMITED

President's Report

TO THE SHAREHOLDERS:

During 1967 good progress was achieved on your Company's tin property in Cornwall, England, and on the rare metal property at Bernic Lake, Manitoba. In addition, a uranium prospect of considerable merit has been acquired in the Elliot Lake area subject to the approval of the Toronto Stock Exchange. The property comprises 23 claims and is located in the Mississagi Provincial Park which in February of this year was opened up for staking by the Ontario Provincial Government. The claims are being acquired from the original prospector.

I would like to review each of our properties in turn and give you a brief summary of progress made during the last year.

English Tin Property

In last year's report, it was explained that the Company had merged their interest previously held by joint agreement with the Guggenheim group, with Union Corporation of South Africa which resulted in the Company obtaining a 12½% interest in a spread of land in Camborne, England, covering not only the Bibis-Guggenheim acreage but the adjoining acreage of Union Corporation. In addition to the 12½% interest, the Company or its English subsidiaries will receive a fixed payment of \$367,000.00 (Canadian) out of production payable pro rata with expenditures made by the other parties for exploration, shaft sinking and plant construction costs. Union Corporation assumed management of the venture and commenced shaft sinking on the Little Pendarves Farm and the most recent progress report shows that shaft sink-

ing is below the 350' level and drifting and cross cuts have commenced at the 318' level which will subsequently provide access for development of the tin lodes. The proposed initial depth of the shaft is 850' and it is anticipated that shaft sinking will be completed by late September 1968. Your President personally visited the property in November 1967 and was most impressed with the progress made to that date. Excellent building facilities, plant and equipment have been installed at the property and it appears that the plant and equipment and shaft are of a size designed for an operation to hoist up to 1,000 tons of ore per day. A second entrance is being investigated which will be connected to the new shaft during the proposed drifting operations. A minimum of 2,000' of drifting on two levels has been contracted and these drifts will explore the tin lodes and locations for underground drilling. Ultimately up to 10,000' of drifting may be necessary to fully develop the lodes and the shaft installations have been planned so that the shaft could be deepened to 2,000'. Since November 1966 until March of this year a total of £ 265,000 has been expended on the English tin venture by the other parties. The agreement for exploration and development does not require your Company to expend any funds on this project.

Manitoba Claims

As reported during the year, 15 mining claims were optioned by your Company immediately adjacent to the claims held by Chemalloy Minerals Limited (Chemalloy) at Bernic Lake, Manitoba. These claims lie on the south boundary of the Chemalloy operation and are within 200' of the

pegmatite sill which carries the various rare metals such as tantalum, lithium, cesium and beryllium which are now being developed by a joint venture corporation, namely Tantalum Mining Corporation of Canada Limited (Tanco) which is owned by Chemalloy and The Goldfield Corporation of New York through their Canadian subsidiary. A 500 ton per day mill is presently being erected by Tanco to process the tantalite ore occurring in the pegmatite sill. Your Company to date has completed two drill holes on the optioned claims and two narrow sections of pegmatite were intersected in each hole at a depth between 700' and 800' with traces of tantalite mineralization. These intersections did not appear to represent the main sill found on the adjoining property. However, they do indicate that parallel sills of pegmatite occur at lower elevations below the main sill. Further work on this property has been recommended consisting of geophysical surveys and geological mappings on the southern and western sections of the claims. Since these claims lie so close to the ore body of Tanco it is felt that they should be maintained in good standing and that future exploration work be dependent upon a study of the results obtained on the Tanco property. Your Company has arranged with Tanco for the exploration and development of the optioned claims under a joint venture agreement whereby Tanco would provide all necessary funds for such purpose in exchange for a 60% interest in the net proceeds from any production from the property, your Company, of course, retaining a 40% interest therein.

Elliot Lake Uranium Claims

Last February there was considerable publicity concerning a staking rush which took place in the Mississagi Provincial Park which was opened for staking by the Ontario Provincial Government in an area just north and west of the producing uranium mines of Denison Mines Limited and Rio Algoma Mines Limited. It was estimated and reported in the press that at least 1,000 prospectors and stakers were in the area during the staking rush and your Company was most fortunate to acquire,

subject to approval of the Toronto Stock Exchange, a favourable group of 23 claims which the Company examined by geiger counter testing initially followed by line cutting and magnetometer and radiometric surveys. The results to date have traced uranium values over a length in excess of 4,000' and readings of $\frac{1}{2}$ to $\frac{3}{4}$ lb. uranium U_3O_8 have been obtained. A diamond drilling programme has been recommended and bids for drilling have been obtained from two drilling companies. Since uranium mineralization tends to be leached and removed by weathering action from surface, trenching of outcrops is not sufficiently reliable to determine the uranium content and it is, therefore, necessary to drill at depths of at least 20' below surface.

Other Properties

The joint venture agreement with Ciba Limited, covering the Company's 14 claims in the Upper Ross Lake Area, Northwest Territories, under which Ciba was to undertake exploration and development work in exchange for a 50% interest in a company to be formed, lapsed in October of 1967. The expenditures on behalf of Ciba were not completed as it was determined by their engineers that the preliminary examination of the property and assays made, did not merit further expenditures under the exploration programme. These claims will be returned to the vendor as provided for under the original agreement and the Company is not obligated to pay the balance of the consideration under the purchase agreement.

The Company holds a 50% interest with Ciba Limited on a group of 58 claims also located in the Upper Ross Lake Area which was acquired for staking costs but to date no exploration has been undertaken on these claims.

The Company has earned a 40% interest in 54 claims in the Thunder Bay District, Ontario. 2,238' of diamond drilling (7 holes) were completed on this property and cores were assayed and reflected mineralization. However, more development work was recommended in order to

determine whether the deposit has any commercial value.

The claims previously held by the Company on Cape Breton Island have been allowed to lapse.

Financing

A proposal for financing has been submitted to the Toronto Stock Exchange for approval. A number of shares (not exceeding 300,000) will be offered at a fixed price on the Toronto Stock Exchange to net the Company a minimum of \$225,000.00. The shares will be offered through J. Bradley Streit and Company Limited as agents for the Company.

As you can see from the above, the Company has been most actively involved in mining exploration of its properties during the past year. The Company proposes an extensive exploration programme during the coming summer season on the Elliot Lake uranium claims. Regardless of the numerous activities in which the Company is already involved, the Company will continue to

maintain its contacts with exploration results from properties throughout Canada with the hope of participating in other ventures covering interesting prospects as may be recommended by the Company's engineers. The proposed financing arrangements should provide sufficient funds to complete the recommended programmes and allow for reasonable participation in other projects as they may arise.

The coming year, therefore, will be certainly an active year for the Company and it is hoped a most successful one.

Respectfully submitted,

On behalf of the Board of Directors.

A. C. A. HOWE
President

Toronto, Ontario
June 3, 1968

INTERNATIONAL BI

(Incorporated under)

Balance Sheet
(with comparative figures)**Assets**

	<u>1967</u>	<u>1966</u>
CURRENT ASSETS		
Cash	\$ 877	\$ 26,898
Demand deposit		22,500
Accounts receivable	11,636	13,236
Government of Canada bond, at cost including accrued interest (market value 1967, \$793; 1966, \$866)	940	940
	<hr/> 13,453	<hr/> 63,574
MINING CLAIMS (note 1)	150,138	142,296
DEFERRED EXPLORATION AND DEVELOPMENT EXPENDITURES	33,845	13,184
INVESTMENT IN ENGLISH MINING COMPANIES (note 2)	1,269,174	1,329,520
NON-INTEREST BEARING NOTE RECEIVABLE, repayable out of a share of ten per cent of the net profits after taxes of Tolgarrick Tin Limited	45,500	
	<hr/> \$1,512,110	<hr/> \$1,548,574

Approved on behalf of the Board

A. C. A. HOWE, Director

T. W. HADDON, Director

TIN MINES LIMITED

(Under the laws of Ontario)

December 31, 1967

(At December 31, 1966)

Liabilities

CURRENT LIABILITIES

	1967	1966
Accounts payable and accrued liabilities	\$ 22,440	\$ 23,680
Loan payable	10,000	
	<hr/> 32,440	<hr/> 23,680

Shareholders' Equity

CAPITAL STOCK (note 3)

Authorized — 4,000,000 shares, par value \$1 each		
Issued — 3,085,401 shares (3,065,401 shares in 1966)	3,085,401	3,065,401
Deduct discount thereon	1,530,310	1,523,310
	<hr/> 1,555,091	<hr/> 1,542,091
CONTRIBUTED SURPLUS arising on reorganization	832,164	832,164
	<hr/> 2,387,255	<hr/> 2,374,255

DEFICIT	907,585	849,361
	<hr/> 1,479,670	<hr/> 1,524,894
	<hr/> <u>\$1,512,110</u>	<hr/> <u>\$1,548,574</u>

Auditors' Report

To the Shareholders of
INTERNATIONAL BIBIS TIN MINES LIMITED

We have examined the balance sheet of International Bibis Tin Mines Limited as at December 31, 1967 and the statements of deferred exploration and development expenditures, deficit, administrative expenses and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the company as at December 31, 1967 and the results of its operations and the source and application of its funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

THORNE, GUNN, HELLIWELL & CHRISTENSON,
Chartered Accountants.
Toronto, Canada
May 17, 1968
(June 10, 1968 as to note 4 (c))

INTERNATIONAL BIBIS TIN MINES LIMITED

Statement of Deferred Exploration and Development Expenditures

Year ended December 31, 1967

(with comparative figures for 1966)

	1967	1966
Drilling	\$ 9,659	\$ 3,500
Field wages and other associated expenses	9,691	1,286
Engineering and geological fees and expenses	2,091	1,720
Expenditures during the year	21,441	6,506
Balance deferred at beginning of year	13,184	16,458
	34,625	22,964
Exploration and development expenditures on abandoned mining claims written off to deficit	780	9,780
Balance deferred at end of year	\$ 33,845	\$ 13,184

SUMMARY

Mayo District	\$ 7,131	\$ 7,131
Inverness, N.S.	780	
Thunder Bay District	26,714	5,273
	\$ 33,845	\$ 13,184

The company has earned a 40% interest in the Thunder Bay District property on 54 unpatented mining claims as a result of the exploration expenditures.

Statement of Deficit

Year ended December 31, 1967

(with comparative figures for 1966)

	1967	1966
Balance at beginning of year	\$ 849,361	\$ 742,489
Add		
Administrative expenses	34,608	73,898
General services of consultants	2,390	7,429
Management fee re subsidiary companies		6,040
Investigation of mining claims		4,265
Abandoned mining claims		
Cost		5,460
Option payment	6,000	
Exploration and development expenditures thereon	780	9,780
Loss on investment in and advance to Tolgarrick Tin Limited	1,263	
Advances to Rosewarne Tin Limited, written off	13,183	
Balance at end of year	\$ 907,585	\$ 849,361

INTERNATIONAL BIBIS TIN MINES LIMITED

Statement of Administrative Expenses

Year ended December 31, 1967

(with comparative figures for 1966)

	<u>1967</u>	<u>1966</u>
Administration fees	\$ 4,125	\$ 9,000
Legal and audit (including in 1966 \$31,962 fees and disbursements relating to consolidation of English tin interests)	18,309	45,339
Telephone and telegraph	358	1,918
Travel	2,900	7,815
Meetings and reports	3,232	6,894
Transfer agent's, filing and listing fees	2,601	3,912
Postage and stationery		762
Directors' fees		775
Salary	2,000	2,917
Canada pension plan	40	92
General expense	1,151	629
	<hr/>	<hr/>
Deduct interest earned	34,716	80,053
	108	6,155
Administrative expenses written off to deficit	<hr/> <u>\$ 34,608</u>	<hr/> <u>\$ 73,898</u>

Statement of Source and Application of Funds

Year ended December 31, 1967

(with comparative figures for 1966)

	<u>1967</u>	<u>1966</u>
SOURCE OF FUNDS		
Reduction of advances	\$ 400	
Proceeds from the issue of capital stock	<hr/> 400	<hr/> \$ 62,500
	<hr/>	<hr/> 62,500
APPLICATION OF FUNDS		
Administrative expenses	34,608	73,898
Exploration and development expenditures	21,441	6,506
General services of consultants	2,390	7,429
Cost of mining claims	842	1,046
Cash advances re English mining properties		29,044
Management fee re subsidiary companies		6,040
Option of mining tract, Inverness, N.S.		6,000
Investigation of mining claims		4,265
	<hr/>	<hr/> 134,228
Decrease in working capital position	58,881	71,728
Working capital at beginning of year	39,894	111,622
Working capital (deficiency) at end of year	<hr/> <u>\$ (18,987)</u>	<hr/> <u>\$ 39,894</u>

INTERNATIONAL BIBIS TIN MINES LIMITED

Notes to Financial Statements

Year ended December 31, 1967

	1967	1966
1. MINING CLAIMS		
6 claims held under a 21-year lease expiring 1978 in the Mayo District in The Yukon Territories acquired for 175,000 shares of capital stock and \$20,000 cash	\$ 107,500	\$ 107,500
Option on a mining tract, Inverness, N.S. (lapsed in 1967 and written off)		6,000
14 claims in the Upper Ross Lake Area, Northwest Territories acquired for 75,000 shares of capital stock (see note 3 (c))	27,750	27,750
50% interest in 58 claims in Upper Ross Lake Area, Northwest Territories acquired for cash (1966 — 35 claims)	1,888	1,046
15 claims in the Bernic Lake Area, Manitoba being acquired under option agreement dated April 18, 1967 (see note 3 (d))	13,000	
	<u>\$ 150,138</u>	<u>\$ 142,296</u>

2. INVESTMENT IN ENGLISH MINING COMPANIES

	1967	1966		
	Shares at cost	Advances	Total	Total
Wholly-owned subsidiaries				
Cornish Explorations Limited	\$ 374,402	\$ 367,173	\$ 741,575	\$ 741,575
Ramsgate Minerals Limited	152,594		152,594	152,594
Pendarves Minerals Limited	152,594	16,196	168,790	168,790
Barripper Minerals Limited	203,615		203,615	203,615
	<u>\$ 883,205</u>	<u>\$ 383,369</u>	<u>\$1,266,574</u>	<u>\$1,266,574</u>

Other

Tolgarrick Tin Limited		46,763
Rosewarne Tin Limited	\$ 2,600	2,600
		<u>\$1,269,174</u>

The company has entered into an agreement to transfer the interests in mining properties in England, held by the company and its subsidiaries, to Camborne Mines Limited. The company and its subsidiaries are entitled to receive repayment of exploration expenditures fixed at the sum of \$367,000 pro rata with the pre-production expenditures of the other parties to the agreement and thereafter to 12½ % of an amount equal to the net proceeds of production of the mine. The other parties to the agreement have undertaken to provide sufficient financing to bring the property into production.

INTERNATIONAL BIBIS TIN MINES LIMITED

Notes to Financial Statements (Continued)

Year ended December 31, 1967

3. CAPITAL STOCK

- (a) During the year 20,000 shares were issued for mining claims at a value of \$13,000 (see note 3 (d)).
- (b) Pursuant to an agreement the company has allotted for issuance 10,000 shares of its capital stock to be issued as escrowed shares upon completion of a shaft on the tin property at Cornwall, England, to a depth of 300 feet. These shares have been issued subsequent to the balance sheet date.
- (c) In 1966, the company purchased 14 mining claims in the Upper Ross Lake Area, Northwest Territories, pursuant to an agreement whereunder the vendor received 75,000 shares of the capital stock of the company for a consideration of \$27,750. The purchase agreement provides for the issuance to the vendor of an additional 775,000 shares from time to time as specified amounts are spent on the exploration and development of the claims and when the property is brought into profitable commercial production. An agreement with Ciba Limited covering development of these claims has been terminated. A royalty interest of 3% of net smelter returns is payable to a previous owner.
- (d) The company has entered into an option agreement dated April 18, 1967 for a period of eighteen months, to acquire 15 mining claims in Bernic Lake Area, Manitoba, at a cost of \$65,000, (provided the agreement is fully implemented) to be fully satisfied by the issuance of 100,000 shares as follows: 20,000 shares when the agreement became effective in 1967, 20,000 shares six months thereafter, 20,000 shares upon the exercise of the option and the remaining 40,000 shares when the property is in production. During the year 20,000 shares were issued and a further 20,000 shares have been issued subsequent to the balance sheet date. The company may cancel the option at any period of time, without any further obligation.

4. SUBSEQUENT EVENTS

(a) Public offering of shares

Pursuant to an agreement dated as of May 10, 1968 the company will make an offering through J. Bradley Streit & Company Limited as agent through the facilities of the Toronto Stock Exchange of a sufficient number of shares, not exceeding 300,000, to provide the company with a minimum aggregate amount of \$225,000. The offering is conditional upon acceptance for filing by the Toronto Stock Exchange and The Ontario Securities Commission of a Statement of Material Facts of the company relating to the distribution of the shares. The offering is also subject to the receipt of sufficient purchase orders to net the company \$225,000 and public distribution satisfactory to the Toronto Stock Exchange.

(b) Acquisition of mining claims subject to the completion of its public offering as outlined above

Pursuant to an agreement dated as of April 15, 1968 the company will acquire 23 unpatented mining claims in the Sudbury and Sault Ste. Marie Mining Divisions of Ontario for a cash consideration of \$20,460 and shares of capital stock when the property is brought into production. The company is also committed for the initial exploration work in the amount of approximately \$14,600.

(c) Examination of copper prospect

The company has examined a copper prospect on the Island of Montserrat, West Indies and expended approximately \$7,000 for travel and engineering expenses. Management has decided not to proceed with this venture.

(d) Future commitments

The company has entered into an agreement with A. C. A. Howe, as manager for three years from May 1, 1968, at a fee of \$5,000 per year.



Printed in Canada